



ACTION BRIEF

GUIDANCE FOR ACTION: GENDER-SENSITIVE PRIVATE SECTOR RESPONSE TO COVID-19 FOR ACCELERATED AND INCLUSIVE ECONOMIC RECOVERY



BACKGROUND

Declared a global pandemic by the World Health Organization, the novel coronavirus disease (COVID-19) has affected nearly every country in the world.¹ As nations implement rigid measures to contain the spread of the virus, economies worldwide have been disrupted and companies are challenged in providing safety and security to their employees while maintaining business continuity. Just as women have been disproportionately affected in previous pandemics,² COVID-19 is already having major, differentiated impacts on women. The private sector not only has a responsibility to protect the rights of all its employees and workers, but also directly benefits by doing so. The current crisis presents a key opportunity for companies to support women across their entire value chains and become leaders in providing a gender-inclusive COVID-19 response and recovery.

Major economic institutions are warning that the COVID-19 outbreak could lead to a global recession.³ Existing gendered economic inequalities in the Asia-Pacific region leave women particularly vulnerable to the potential effects of such a recession. Major economies in the region, including China, India, Indonesia, Thailand and Viet Nam, are all experiencing declines in female labour force participation rates,⁴ and the number of women in leadership positions in business has decreased in several Asia-Pacific countries in the past 30 years.⁵ As this guidance note explains, if COVID-19 response and recovery plans do not integrate a gender lens, these regressions may be exacerbated and lead to losses not only for businesses but also for economies across the region.



COVID-19 IMPACTS ON WOMEN IN THE PRIVATE SECTOR

Companies must recognize that COVID-19 impacts everyone - CEOs, managers, employees, and workers - in personal and professional ways, and that this looks different for women and men. Existing social and economic gender inequalities and challenges for women are aggravated by the current crisis, which requires that companies become more gender-responsive in their response. If companies do not act on this, there is a serious risk of further reducing female labour force participation and losing recent gains made in women's equal economic participation. For example, women represent only 14.4 percent of

chief executives in Asia.¹⁰ If the numbers decrease as a result of the pandemic, there will be fewer women in positions of power, which means fewer women at decision-making tables during crises that disproportionately affect women, and a possible thinning of the pipeline for women to move into future management and leadership roles.

While the bulk of initial economic projections make no mention of gendered impacts,¹¹ preliminary analysis shows that COVID-19 is affecting women in business in several differentiated ways.



Women's care burden increased: Women and girls in the Asia-Pacific region spend up to 11 times more of the day than men and boys doing unpaid care work.¹² With school closures leaving more than 700 million children in the region in need of care,¹³ women are primarily responsible for accommodating this increased burden in childcare.



Accelerated reliance on technology-oriented jobs risks leaving women behind: The current crisis is accelerating the use of technology for work and highlighting the central role technology will play to future of work trends. In the Asia-Pacific region the digital gender gap has been growing wider since 2013,¹⁴ meaning women are at increased risk of being excluded from emerging opportunities. This risk of exclusion is aggravated by the fact that women are disproportionately represented in jobs that cannot be done remotely, such as care, hospitality and service industries.



Women in global supply chains are at risk: There are an estimated 190 million women working in global supply chains¹⁵ and put at risk of losing their livelihoods and ability to support their families. The drop in global production demand has already left thousands of factory workers unemployed.¹⁶



Increased risk of domestic violence: More women are at home due to COVID-19, and data overwhelmingly confirms an increase in domestic violence during times of humanitarian crisis.¹⁷ In addition being a severe human rights violation that brings significant negative consequences on women's health and well-being, research shows that businesses and economies also suffer. For instance, a study conducted in China found that survivors of domestic violence missed and average of **15 workdays**, took **11 days** of personal leave, and/or arrived late or left early from work **five times** over a 12-month period.¹⁸



KEY EMERGING ISSUES FOR WOMEN

1. Increased care work

Women and girls in the Asia-Pacific region spend as much as 11 times more of their day than men and boys doing unpaid home care work.¹⁹ With school closures leaving more than 700 million children in the region in need of care,²⁰ women are primarily responsible for accommodating this increased burden in childcare. Further, when health systems are overloaded, women usually bear responsibility for caring for ill children and the elderly.²¹ **The COVID-19 crisis is significantly increasing the demands of care duties on women's time.**

Women in Asia earn on average 15 percent less than men,²² making it more likely that one reason women will stay home with children is to enable their higher-earning male partners' to continue working, but putting their own job and income security at risk. Anecdotal evidence is already confirming this trend.²³

As school closures continue, many women will likely be forced to limit working hours or give up their jobs,²⁴ which could worsen the current decline of female labour force participation in the region. Companies that have made commitments to promote women in leadership roles may find that many promising female candidates choose or are forced to step back from work during this time to care for their family. In the long term, this may widen vertical gender gaps as managers and those in charge of promotions privilege employees who continued working at full capacity during the pandemic.

Women are more heavily concentrated in direct service jobs that cannot be done remotely, **meaning women who have no other choice than to stay home to care for children are vulnerable to losing their jobs.**

What does this mean for business?



Female employees and workers will have less time and attention for paid work, as they work to balance educating and caring for their children full-time and caring for elderly and sick family members. **The increase in women's care burden as a result of COVID-19 could leave female employees and workers with no option other than to cut back their hours or quit entirely.**

2. Women are overrepresented in hardest-hit sectors and disadvantaged by the digital gender divide

Women are disproportionately concentrated in sectors hardest hit economically by the outbreak, such as manufacturing, tourism and hospitality, retail and service industries.²⁵ As city-wide lockdowns demand the closure of many direct service jobs that cannot be done remotely, such as masseurs, cleaners and hairdressers, women are at a much higher risk of unemployment than men. In China, mass job losses in these sectors have already started.²⁶

Women are disadvantaged in emerging tech-oriented work modalities. The current shift in working trends and new demands created by the constraints of the crisis indicate that people with access to technology and skilled in digital work modalities will be mostly likely to maintain or re-establish financial security. There is a real risk of women falling behind and being excluded from new opportunities created. Research has shown that women's time constraints due to household duties, lack of technological education, lack of access to devices, and traumatizing cyber harassment can prevent them from becoming as proficient in information and communication technology (ICT) as men.²⁷ **In the Asia-Pacific region the digital gender gap has actually been growing wider since 2013.**²⁸

Future-of-work trends that leave women behind are being accelerated by the crisis. Where available, technology is already providing solutions to the constraints on daily life caused by COVID-19 (through online learning, remote working, and home delivery services), and the crisis puts into clear focus how important technology sectors will be to future economic recovery and private sector resilience against shocks. Women are already drastically underrepresented in technology sectors, such as fintech, e-commerce, and tech enterprises. On top of this, **future-of-work trends such as automation and digitalization pose a disproportionate threat to jobs done by women.**²⁹ **Unless swift and large-scale actions are taken to upskill women in ICT and create pathways for integration into technology sectors, many women will be left behind.**³⁰

What does this mean for business?



Although many jobs in the hardest-hit sectors will likely return after the crisis, full recovery will take time and the **extended loss of work may have spiralled many already vulnerable women into poverty**, which will impede broader economic recovery. Further, women are already underrepresented in technology and **even if women have the technological skills to capitalize on technology-driven opportunities for business, women have less access to the capital, skills and networks needed to successfully open a business.**³¹ This also harms long-term economic progress, as women-owned businesses are less likely to default on loans and more likely to reinvest earnings in ways that boost local economies.³²

3. Increased vulnerability of women in supply chains

Many larger companies indirectly employ (through their suppliers) many women, including migrant workers and women working in micro, small and medium enterprises (MSMEs) such as farmers and micro-retailers. These are part of the production and delivery of goods and services across entire value chains,³³ but are unlikely to be counted as official employees in company-wide responses to a crisis. Due to the lack of gender-disaggregated data, a complete picture of the distribution of male and female workers is not available, but there are an estimated 190 million women working in global supply chains, and women represent 70-90 percent of workers in the apparel industry.³⁴

As COVID-19 has caused a major slowdown of global consumption and production, SMEs (especially those supplying to larger companies) are hit particularly hard relative to their small size and limited cash reserves. In a survey conducted in China, 85 percent of SMEs surveyed indicated that cash imbalances due to COVID-19 would cause them to go bankrupt within three months.³⁵ These potential closures would not only lead to unemployment for the women who make up the majority of the SME workforce, but are more likely to impact women-owned SMEs, which are less resilient to the impact of adverse economic shocks.³⁶

Men are overrepresented in permanent or long-term work and **women are overrepresented in low-skilled, low-wage jobs at the base of larger supply chains**, such as garment factory workers. These jobs typically offer less access to pensions, health benefits, unemployment benefits and other social protection. Now they are also among those being lost as global trade slows and companies cancel orders and reroute production to minimize losses, placing already vulnerable women at increased risk of falling into poverty.³⁷ In Myanmar alone, more than 10,000 garment factory workers have lost their jobs as factories begin to shut down due to raw material shortages.³⁸

There is also research showing that **short lead times and unrealistic production targets, all issues that we are likely to see as the situation continues to evolve, increase rates of sexual harassment and violence in the workplace,** as well as health concerns, particularly for pregnant women workers.³⁹ **Research in Cambodia indicates that high staff turnover, absenteeism and reduced productivity related to sexual harassment represent a cost of USD 89 million per year for the garment industry.**⁴⁰



4. Increased risk of domestic violence when home becomes the workplace

When households are placed under strain, the risk of domestic violence increases. Initial evidence shows that the quarantine and lockdown measures put in place to combat COVID-19 are likely driving similar trends.^{41,42} In China, where millions of people are spending time indoors, there has been an alarming surge in reports of domestic violence. In January, some police stations received double the number of reports compared to the same period last year.⁴³

For many survivors of domestic violence, work provides respite from the unpredictability of abuse, and **there can be more immediate danger inside the home than outside it.**⁴⁴ In addition to increased chances of violence occurring during COVID-related lockdowns, **life-saving care and support services to survivors may be disrupted as health systems are overburdened.**

What does this mean for business?



Violence not only has a profoundly negative impact on the physical and mental health and well-being of many female employees and workers, but also **hampers workplace productivity by increasing absenteeism, employee turnover and resignations without adequate notice.**⁴⁵ A study conducted in Viet Nam estimated overall productivity losses due to domestic violence represent up to 3 percent of GDP, roughly USD 337 million.⁴⁶ **As more private-sector companies are forced to halt operations or switch to working from home this increased risk of domestic violence poses an additional threat to business continuity and to recovery and long-term economic growth.**



KEY RECOMMENDATIONS



FOR THE PRIVATE SECTOR

A commitment to a gender-responsive COVID-19 response becomes indispensable for an inclusive economic recovery. Through the Women's Empowerment Principles (WEPs),⁴⁷ UN Women and UN Global Compact have a clear approach on how businesses can build gender-inclusive business environments across their value chains from leadership, workplaces, marketplaces and community.

LEADERSHIP

- ▶ Publicly commit to taking a gender-inclusive stance in your response and recovery strategy and make this visible by signing the WEPs and becoming part of a WEPs community of practice and exchange network that includes nearly 3,000 companies worldwide of which more than 700 are in the Asia-Pacific region.
- ▶ Ensure women have a voice in all decision-making processes. Embed gender dimensions into company-wide response plans and budget resources to build gender expertise into decision-making teams.
- ▶ Take proactive measures to provide specific support for women managers and directors and support the development of pipelines for women managers and leaders.
- ▶ Conduct data collection (disaggregated by sex, age and disability) to understand how the crisis is impacting workers differently and how best to provide support. Raise awareness among senior leadership and managers to ensure they are aware of the different impacts and implement response plans accordingly.
- ▶ Invest in disaster risk reduction for business and workers' resilience following international standards, such as those specified for private-sector actors⁴⁸ in the Sendai International Framework for Disaster Risk Reduction 2015-2030.⁴⁹

WORKPLACES

Support for direct employees

- ▶ Encourage all employees, especially men, to share domestic care work equally through targeted employee engagement and creative initiatives, such as example-setting practices by male managers.
- ▶ Provide flexible working arrangements and/or extra paid leave days for women and men forced to take time off for home childcare or taking care of elders or sick family members.
- ▶ Provide paid sick leave and ensure no wage penalties for workers who contract COVID-19 or are required to self-quarantine, particularly for women at the base of supply chains who are unlikely to have social protection and insurance.
- ▶ Take active measures to protect the health and safety of women and men employees, such as providing hygiene and personal protective equipment, relevant information and knowledge, and psychological support.

- ▶ Ensure employees, especially those working from home, have quick and reliable access to support mechanisms, such as guidance from human resources and ICT assistance.
- ▶ Share information with employees on where to report and seek help for domestic violence, including national and local hotlines and services with trained responders.

MARKETPLACES

Support for your suppliers and the women they employ

- ▶ Apply a holistic eco-system approach that assesses the company's supply chain end-to-end. Engage with suppliers across the chain to understand what support is most critical to them. Be proactive in finding ways to continue business relationships, by for example shortened payment terms for smaller suppliers,⁵⁰ whilst also holding suppliers accountable to take gender-sensitive measures themselves.
- ▶ Find ways to support suppliers' employees, especially women, to avoid them having to carry the financial burden during and after the pandemic. For example, provide emergency basic income and/or conduct upskilling training for women who may be out of work due to COVID-19 related closures.
- ▶ Engage with the International Labour Organization, trade unions, industry associations, and other stakeholders to find solutions to support your suppliers in the short term, and plan for post-crisis production timelines.

COMMUNITY AND TRANSPARENCY

- ▶ Provide resources to local organizations supporting women who have been impacted by COVID-19, such as those providing domestic violence services or ICT training programmes.
- ▶ Conduct impact assessments with data disaggregated by sex, age and disability and make reports publicly available.
- ▶ Share data, lessons learned and best practices to industry-wide peers to advocate and hold others accountable for more gender-inclusive business practices.



FOR GOVERNMENTS

- ▶ Consult experts and apply a gender lens to all response, relief and recovery plans and new policies.
- ▶ Develop mitigation strategies that specifically target the economic impact of the outbreak on women and build women's resilience:
 - Aim economic support and bail-outs specifically at retail sectors, hospitality and businesses, where women are predominantly employed in precarious contracts and most vulnerable to forced cost-saving.
 - Explore ways to provide tax exemptions, debt relief or loans with special interest rates as an incentive for employers to support their workers with paid sick leave and guaranteed basic income during COVID-related shutdowns.



FOR DONORS

- ▶ Invest in gender-sensitive recovery programmes for SMEs, but equally support female workers with financial assistance, such as unconditional cash transfers, as well as through large-scale upskilling programmes to equip women for a technology-enabled economy.
- ▶ Prioritize adequate investments in universal social protection systems and quality, affordable childcare.
- ▶ Address the unequal share of care responsibilities in a systemic way: Immediate action requires developing advocacy tools and conducting outreach campaigns to encourage families to share care work whilst investing in long-term cross-sectoral approaches for sustained change.
- ▶ Prioritize services for prevention and response to gender-based violence in communities and households affected by COVID-19.

- ▶ Support women's rights organizations who are key players in providing services for women and advocating for government regulations and laws for gender equality and women's rights.
- ▶ Provide funding for initiatives that aim to decrease workers' vulnerability in supply chains, such as upskilling programmes, that can be rolled out and scaled up through partnerships with private sector actors.

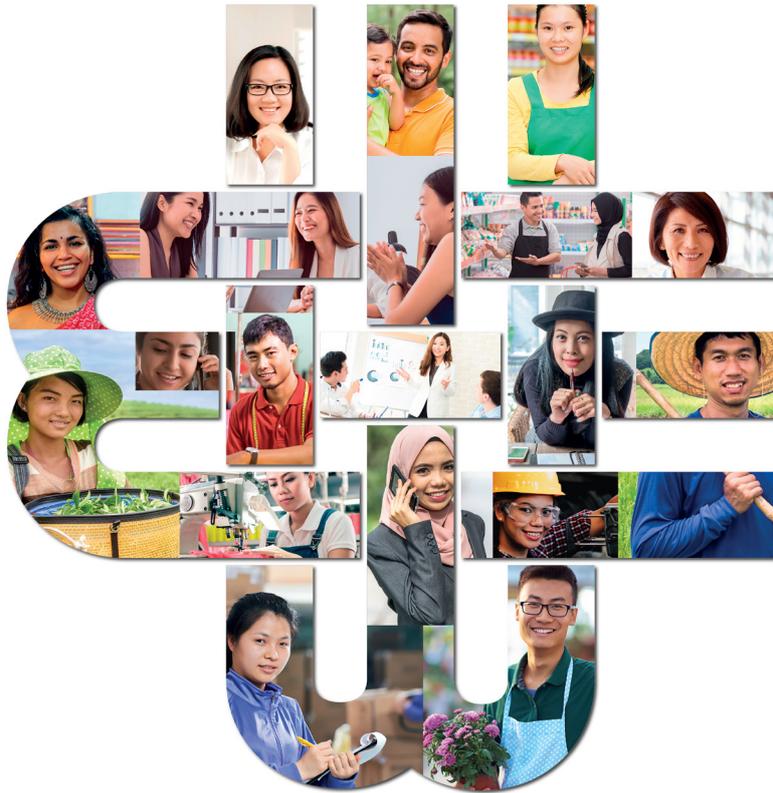
▶ **Spotlight and strengthen efforts to address women's unpaid care work** by providing funding across multiple pathways for change: support and advocacy for government policies for universal child and other types of care, outreach and advocacy with women's rights organizations, new programmes to redistribute unpaid care work within households, and innovative market-oriented and employer-supported solutions to care work.



FOR CIVIL SOCIETY ORGANIZATIONS AND UNIONS

- ▶ Engage in advocacy efforts to influence companies and governments to pay special attention in their recovery efforts to the most vulnerable employees and workers in supply chains, especially women, and offer collaboration on immediate support delivery.
- ▶ Monitor public and private sector implementation of gender-inclusive COVID-19 response, publicly report on progress, and use results to advocate for change.
- ▶ Work with corporations and employers to strengthen protection for their workers and employees, especially women, with guarantees for paid sick leave, wage protections, and other measures to mitigate the fallout of COVID-19 and strengthen preparedness for future economic instability.

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